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## SSB 5776 - S AMD 205 By Senators Doumit, Mulliken, Kline

## ADOPTED 03/18/2003

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The purpose of this chapter is to reform 3 the process of appeal and review of permit decisions made by state 4 5 agencies and local governments for qualifying economic development 6 projects, by establishing uniform, expedited, and consolidated appeal procedures and uniform criteria for reviewing such decisions, in order 7 to provide consistent, predictable, and timely review. The appeal 8 9 process authorized in this chapter is intended to be the exclusive process for review of decisions made by state agencies and local 10 11 governments on permit applications for qualifying economic development 12 projects, superseding other existing administrative board and judicial 13 appeal procedures.

- NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
  - (1) "Final decision" means the highest and last decision available within the permit agency with respect to a permit application to the agency, including but not limited to decisions resulting from internal appeals available within the agency for the permit decision.
  - (2) "Participating permit agency" means any permit agency in which the applicant for a qualifying project has filed an application for an environmental or land use permit that is required for the qualifying project.
  - (3) "Permit" means any license, permit, certificate, certification, approval, compliance schedule, or other similar document pertaining to any regulatory or management program related to the protection, conservation, use of, or interference with the land, air, or water in the state. This document must be required to be obtained from a state

agency or local government, including but not limited to counties, 1 2 cities, and air agencies, prior to constructing or operating a qualifying project. Local government permits include, but are not 3 limited to, subdivisions, binding site plans, planned 4 developments, shoreline permits or other approvals under RCW 90.58.140, 5 master plan approvals, site plan approvals, permits or approvals 6 7 required by critical area ordinances, conditional use permits, variances, and site-specific rezones authorized by a comprehensive plan 8 or subarea plan or other equivalent documents however titled or 9 10 denominated. Local government permits excluded under this definition include the adoption or amendment of a comprehensive plan, subarea 11 12 plan, legislative actions on development regulations, and building, 13 grading, flood hazard, utility connection, and other nondiscretionary 14 construction permits.

(4) "Permit agency" means any state agency or local government, including but not limited to air agencies, authorized by law to issue permits.

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- (5) "Qualifying project" means an economic development project that is (a) located within a county that in its entirety qualifies as a distressed area as defined in RCW 43.168.020(3) and a rural natural resources impact area as defined in RCW 43.160.020, (b) designed to provide at least thirty full-time year-round jobs, and (c) designated as a qualifying project by the office of permit assistance established under chapter 43.42 RCW.
- NEW SECTION. Sec. 3. The appeal process authorized in this chapter shall, notwithstanding any other provisions of this code, be the exclusive process for review of the decisions made by participating permit agencies on permit applications for a qualifying project. The superior court civil rules and the rules of appellate procedure shall govern procedural matters for the judicial appeal process under this chapter to the extent that the rules are consistent with this chapter.
- NEW SECTION. Sec. 4. (1) An environmental and land use hearings board is hereby established within the environmental hearings office created under RCW 43.21B.005. The environmental and land use hearings board shall be composed of six members, as provided in RCW 90.58.170. The chairperson of the pollution control hearings board shall be the

chairperson of the environmental and land use hearings board. The members of the environmental and land use hearings board shall receive the compensation, travel, and subsistence expenses as provided in RCW 43.03.050 and 43.03.060.

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- (2) All proceedings before the board or any of its members shall be 5 conducted in accordance with such rules of practice and procedure as 6 7 the board may adopt. In all such proceedings, the board shall have all powers relating to the administration of oaths, issuance of subpoenas, 8 and taking of depositions as set forth in RCW 34.05.446. 9 shall publish any such rules and arrange for the reasonable 10 distribution thereof. Failure to adopt such rules shall not deprive 11 the board of jurisdiction nor relieve the board of the duty to hear 12 petitions for review filed under this chapter. 13
- NEW SECTION. **Sec. 5.** (1) Proceedings for review under this chapter shall be commenced by filing a petition with the environmental and land use hearings board. The board may adopt by rule procedures for filing and service that are consistent with this chapter.
  - (2) Such petition is barred, and the board may not grant review, unless the petition is timely filed with the board and timely served on the following persons who shall be parties to the review of the petition:
  - (a) The participating permit agencies, which for purposes of the petition shall be (i) if a state agency, the director thereof, and (ii) if a local government, the jurisdiction's corporate entity which shall be served as provided in RCW 4.28.080; and
    - (b) Each of the following persons if the person is not the petitioner:
- (i) Each person identified by name and address as applicant in the application to the participating permit agencies;
- (ii) Each person identified in project application documents as an owner of the property at issue or, if none, each person identified as a taxpayer for the property at issue in the records of the county assessor.
- 34 (3) The petition is timely if it is filed and served on all parties 35 listed in subsection (2) of this section within twenty-one days of the 36 issuance by the permit agency of the permit for the qualifying project.

1 (4) For the purposes of this section, the date on which a permit 2 decision is issued is:

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- (a) Three days after a written decision is mailed by the permit agency to the project applicant or, if not mailed, the date on which the permit agency provides notice that a written decision is publicly available; or
- 7 (b) If (a) of this subsection does not apply, the date the decision 8 is entered into the public record.
- 9 (5) Service on all parties shall be by personal service or by mail. 10 Service by mail is effective on the date of mailing. Proof of service 11 shall be by affidavit or declaration under penalty of perjury.
- NEW SECTION. Sec. 6. Standing to bring a petition under this chapter is limited to the following persons:
- 14 (1) The applicant and the owner of the property to which the permit decision is directed;
  - (2) Another person aggrieved or adversely affected by the permit decision, or who would be aggrieved or adversely affected by a reversal or modification of the permit decision. A person is aggrieved or adversely affected within the meaning of this section only when all of the following conditions are present:
- 21 (a) The permit decision has prejudiced or is likely to prejudice 22 that person;
  - (b) That person's asserted interests are among those that the permit agency was required to consider when it made its permit decision;
    - (c) A decision of the board in favor of that person would substantially eliminate or redress the prejudice to that person caused or likely to be caused by the permit decision; and
- 29 (d) The petitioner has exhausted his or her administrative remedies 30 to the extent required by law;
- 31 (3) A participating permit agency under this chapter.
- 32 <u>NEW SECTION.</u> **Sec. 7.** A petition must set forth:
- 33 (1) The name and mailing address of the petitioner;
- 34 (2) The name and mailing address of the petitioner's attorney, if any;

- 1 (3) The name and mailing address of the permit agency whose permit 2 is at issue, if any;
  - (4) A duplicate copy of the permit decision;

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- 4 (5) Identification of each person to be made a party under this 5 chapter;
- 6 (6) Facts demonstrating that the petitioner has standing to seek 7 board review under this chapter;
- 8 (7) A separate and concise statement of each error alleged to have 9 been committed;
- 10 (8) A concise statement of facts upon which the petitioner relies 11 to sustain the statement of error; and
- 12 (9) A request for relief, specifying the type and extent of relief 13 requested.

NEW SECTION. Sec. 8. (1) Within seven days after receipt of service of the petition filed pursuant to section 5 of this act, the project applicant shall file with the board and serve on all parties an affidavit certifying all applications for permits that the project applicant has filed with participating permit agencies for the qualifying project, provided, however, that no permit may be included that has been issued and appealed to the board or to court prior to the date of service of the petition filed with the board under this The board shall request verification from the participating agencies of the permit applications certified in the project applicant's affidavit and of the expected date for final decision on the permit applications. Filing of the affidavit shall toll the schedule for hearing by the board until twenty-one days after issuance of the final permit decision for the qualifying project that has been certified in the project applicant's affidavit and verified by a participating agency as applied for, unless the petition filed and served by the petitioner relates to the final permit.

(2) Within seven days after the expiration of the appeal period for the final permit decision for the qualifying project, the petitioner shall note an initial hearing on jurisdictional and other preliminary matters, and, if applicable, on other pretrial matters. This initial hearing shall be set no sooner than thirty-five days and not later than fifty days after the expiration of the appeal period for the final permit decision for the qualifying project.

(3) If petitions for review of more than one permit issued by participating permit agencies for a qualifying project are filed with the board, the board shall contemporaneously process all such petitions in accordance with the case schedule requirements set forth in this act.

- (4) The parties shall note all motions on jurisdictional and procedural issues for resolution at the initial hearing, except that a motion to allow discovery may be brought sooner.
- (5) The defenses of lack of standing, untimely filing or service of the petition, lack of good faith or improper purpose in filing, and failure to join persons needed for just adjudication are waived if not raised by timely motion noted to be heard at the initial hearing, unless the board allows discovery on such issues.
- (6) The petitioner shall move the board for an order at the initial hearing that sets the date on which the permit decision record or records of the applicable permit agency or agencies, if any, must be submitted, sets a briefing schedule, sets a discovery schedule if discovery is to be allowed, and schedules a hearing or hearings on the merits.
- (7) The parties may waive the initial hearing by scheduling with the board a date for the hearing or hearings on the merits and filing a stipulated order that resolves the jurisdictional and procedural issues raised by the petition, including the issues identified in subsections (5) and (6) of this section.
- 25 (8) A party need not file an answer to a petition for review filed 26 pursuant to section 5 of this act.

NEW SECTION. Sec. 9. The board shall provide expedited review of petitions filed under this chapter. Any matter reviewed on the decision record as provided in section 12(1) of this act must be set for hearing within sixty days of the date set for submitting the decision record of all participating permit agencies, absent a showing of good cause for a different date or a stipulation of the parties. Any matter reviewed de novo as provided in section 12(3) of this act must be set for hearing or trial no later than one hundred twenty days after the initial hearing date. The board shall issue a final decision and order within thirty days after the final hearing required in this section.

NEW SECTION. Sec. 10. (1) A petitioner or other party may request the board to stay or suspend an action by a participating permit agency or another party to implement the decision under review. The request must set forth a statement of grounds for the stay and the factual basis for the request.

- (2) The board may grant a stay only if the board finds that: (a) The party requesting the stay is likely to prevail on the merits, (b) without the stay the party requesting it will suffer irreparable harm, (c) the grant of a stay will not substantially harm other parties to the proceedings, and (d) the request for the stay is timely in light of the circumstances of the case.
- 12 (3) The board may grant the request for a stay upon such terms and 13 conditions, including the filing of security, as are necessary to 14 prevent harm to other parties by the stay.
  - NEW SECTION. Sec. 11. (1) Within forty-five days after entry of an order to submit the decision record, where applicable, or within such a further time as the board allows or as the parties agree, each participating agency shall submit to the board a certified copy of the decision record for board review of the permit decision, except that the petitioner shall prepare at the petitioner's expense and submit a verbatim transcript of any hearings held on the matter.
  - (2) If the parties agree, or upon order of the board, the record shall be shortened or summarized to avoid reproduction and transcription of portions of the record that are duplicative or not relevant to the issues to be reviewed by the board.
  - (3) The petitioner shall pay the participating agency the cost of preparing the record before the participating agency submits the decision record to the board. Failure by the petitioner to timely pay the participating agency relieves the participating agency of responsibility to submit the record and is grounds for dismissal of the petition.
  - (4) If the relief sought by the petitioner is granted in whole or in part the board shall equitably assess the cost of preparing the record among the parties. In assessing costs the board shall take into account the extent to which each party prevailed and the reasonableness of the parties' conduct in agreeing or not agreeing to shorten or summarize the record under subsection (2) of this section.

NEW SECTION. Sec. 12. (1) For all permit decisions being reviewed that were made by quasi-judicial bodies or permit agency officers who made factual determinations in support of the decisions, after the conduct of proceedings in which the parties had an opportunity consistent with due process to make records on the factual issues, board review of factual issues and the conclusions drawn from the factual issues shall be confined to the records created by the quasi-judicial bodies or permit agency officers, except as provided in subsections (2) through (4) of this section.

- (2) For decisions described in subsection (1) of this section, the records may be supplemented by additional evidence only if the additional evidence relates to:
- (a) Grounds for disqualification of a member of the body or of the officer that made the permit decision, when such grounds were unknown by the petitioner at the time the record was created;
- (b) Matters that were improperly excluded from the record after being offered by a party to a permit decision proceeding; or
- (c) Matters that were outside the jurisdiction of the body or officer that made the permit decision.
- (3) For permit decisions other than those described in subsection (1) of this section, the board review of the permit decision shall be de novo on issues presented as error in the petition.
- (4) The board may require or permit corrections of ministerial errors or inadvertent omissions in the preparation of the record.
- (5)(a) The parties may not conduct pretrial discovery except with the prior permission of the board, which may be sought by motion at any time after service of the petition. The board shall not grant permission unless the party requesting it makes a prima facie showing of need. The board shall strictly limit discovery to what is necessary for equitable and timely review of the issues.
- (b) If the board allows the record to be supplemented, or in any de novo proceeding under subsection (3) of this section, the board shall require the parties to disclose before the hearing or trial on the merits the identity of witnesses and the specific evidence they intend to offer.
- (c) If any party, or anyone acting on behalf of any party, requests records under chapter 42.17 RCW relating to the matters at issue, a

- 1 copy of the request shall simultaneously be given to all other parties,
- 2 and the board shall take such request into account in fashioning an
- 3 equitable discovery order under this section.

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- NEW SECTION. Sec. 13. (1) The board shall review the decision record and all such evidence as is permitted to supplement the record for review restricted to the decision record or is required for de novo review under section 12 of this act. The board may grant relief only if the party seeking relief has carried the burden of establishing that one of the standards set forth in (a) through (f) of this subsection has been met. The standards are:
- 11 (a) The body or officer that made the permit decision engaged in 12 unlawful procedure or failed to follow a prescribed process, unless the 13 error was harmless;
  - (b) The permit decision is an erroneous interpretation of the law, after allowing for such deference as is due the construction of a law by an agency with expertise;
  - (c) The permit decision is not supported by evidence that is substantial when viewed in light of the whole record before the court;
  - (d) The permit decision is a clearly erroneous application of the law to the facts;
- 21 (e) The permit decision is outside the authority or jurisdiction of 22 the body or officer making the decision; or
- 23 (f) The permit decision violates the constitutional rights of the party seeking relief.
- 25 (2) The board may affirm or reverse each and every permit decision 26 under review or remand the decision for modification or further 27 proceedings involving the permit agencies.
- 28 NEW SECTION. Sec. 14. (1) In order to obtain judicial review of 29 a final decision of the environmental and land use hearings board, a 30 party to the board case as consolidated shall file a petition for judicial review in the superior court for Thurston county within thirty 31 days after the filing of the final decision and order of the board. 32 Any party may apply for direct review by the court of appeals. 33 application for direct review must be filed with the superior court 34 35 within ten days after the filing of the petition for judicial review. 36 In considering an application for direct review under this chapter, it

shall be presumed that: (a) The qualifying project presents fundamental and urgent issues affecting the public interest which require a prompt determination, and (b) delay in obtaining a final and prompt determination of such issues would be detrimental to a party and the public interest.

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- (2) The presumption set forth in subsection (1) of this section shall require that the superior court certify the direct review not less than ten days, and not more than fifteen days, after the filing of the application therefore, unless, upon motion of a party with supporting excerpts from the record within ten days after the filing of such application, the superior court finds that: (a) The project is not a qualifying project, or (b) the project will not in fact provide new employment within the county in which the project is located. The court may make such findings upon a showing that said record contains clear, cogent, and convincing evidence to support such findings, which evidence has been testified to by at least one witness competent to testify on employment matters.
  - (3) A motion as set forth in subsection (2) of this section shall be heard within fourteen days after the filing of the motion and shall be confined to certified excerpts from the record, which any party may produce. It shall not be necessary to certify the entire record to the court for the purpose of hearing such motion.
  - (4) The court of appeals shall accept direct review of a case unless it finds that the superior court's certification under the standards contained in this section was clearly erroneous. Review by the court of appeals shall be restricted to the decision record of the permit agency and the board proceedings. All certified appeals shall be provided priority processing by the court of appeals.
- **Sec. 15.** RCW 34.05.518 and 1995 c 382 s 5 are each amended to read 30 as follows:
- 31 (1) The final decision of an administrative agency in an 32 adjudicative proceeding under this chapter may, except as otherwise 33 provided in chapter 43.-- RCW (sections 1 through 14 of this act), be 34 directly reviewed by the court of appeals either (a) upon certification 35 by the superior court pursuant to this section or (b) if the final 36 decision is from an environmental board as defined in subsection (3) of

this section, upon acceptance by the court of appeals after a certificate of appealability has been filed by the environmental board that rendered the final decision.

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- (2) For direct review upon certification by the superior court, an application for direct review must be filed with the superior court within thirty days of the filing of the petition for review in superior court. The superior court may certify a case for direct review only if the judicial review is limited to the record of the agency proceeding and the court finds that:
- 10 (a) Fundamental and urgent issues affecting the future 11 administrative process or the public interest are involved which 12 require a prompt determination;
  - (b) Delay in obtaining a final and prompt determination of such issues would be detrimental to any party or the public interest;
  - (c) An appeal to the court of appeals would be likely regardless of the determination in superior court; and
- 17 (d) The appellate court's determination in the proceeding would 18 have significant precedential value.

Procedures for certification shall be established by court rule.

- (3)(a) For the purposes of direct review of final decisions of environmental boards, environmental boards include those boards identified in RCW 43.21B.005 and growth management hearings boards as identified in RCW 36.70A.250.
- (b) An environmental board may issue a certificate of appealability if it finds that delay in obtaining a final and prompt determination of the issues would be detrimental to any party or the public interest and either:
- 28 (i) Fundamental and urgent statewide or regional issues are raised; 29 or
- 30 (ii) The proceeding is likely to have significant precedential value.
  - (4) The environmental board shall state in the certificate of appealability which criteria it applied, explain how that criteria was met, and file with the certificate a copy of the final decision.
- 35 (5) For an appellate court to accept direct review of a final decision of an environmental board, it shall consider the same criteria outlined in subsection (3) of this section, except as otherwise provided in chapter 43.-- RCW (sections 1 through 14 of this act).

- 1 (6) The procedures for direct review of final decisions of 2 environmental boards include:
  - (a) Within thirty days after filing the petition for review with the superior court, a party may file an application for direct review with the superior court and serve the appropriate environmental board and all parties of record. The application shall request the environmental board to file a certificate of appealability.
- 8 (b) If an issue on review is the jurisdiction of the environmental 9 board, the board may file an application for direct review on that 10 issue.
- 11 (c) The environmental board shall have thirty days to grant or deny 12 the request for a certificate of appealability and its decision shall 13 be filed with the superior court and served on all parties of record.
  - (d) If a certificate of appealability is issued, the parties shall have fifteen days from the date of service to file a notice of discretionary review in the superior court, and the notice shall include a copy of the certificate of appealability and a copy of the final decision.
- 19 (e) If the appellate court accepts review, the certificate of appealability shall be transmitted to the court of appeals as part of the certified record.
- (f) If a certificate of appealability is denied, review shall be by the superior court. The superior court's decision may be appealed to the court of appeals.
- 25 **Sec. 16.** RCW 36.70C.030 and 1995 c 347 s 704 are each amended to read as follows:
  - (1) This chapter replaces the writ of certiorari for appeal of land use decisions and shall be the exclusive means of judicial review of land use decisions, except that this chapter does not apply to:
    - (a) Judicial review of:

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- 31 (i) Land use decisions made by bodies that are not part of a local jurisdiction;
- (ii) Land use decisions of a local jurisdiction that are subject to review by a quasi-judicial body created by state law, such as the shorelines hearings board, the environmental and land use hearings board, or the growth management hearings board;

1 (b) Judicial review of applications for a writ of mandamus or 2 prohibition; or

- (c) Claims provided by any law for monetary damages or compensation. If one or more claims for damages or compensation are set forth in the same complaint with a land use petition brought under this chapter, the claims are not subject to the procedures and standards, including deadlines, provided in this chapter for review of the petition. The judge who hears the land use petition may, if appropriate, preside at a trial for damages or compensation.
- 10 (2) The superior court civil rules govern procedural matters under 11 this chapter to the extent that the rules are consistent with this 12 chapter.
- **Sec. 17.** RCW 43.21B.005 and 1999 c 125 s 1 are each amended to 14 read as follows:
  - (1) There is created an environmental hearings office of the state of Washington. The environmental hearings office shall consist of the pollution control hearings board created in RCW 43.21B.010, the forest practices appeals board created in RCW 76.09.210, the shorelines hearings board created in RCW 90.58.170, the environmental and land use hearings board created in chapter 43.——RCW (sections 1 through 14 of this act), and the hydraulic appeals board created in RCW ((75.20.130)) 77.55.170. The chairman of the pollution control hearings board shall be the chief executive officer of the environmental hearings office. Membership, powers, functions, and duties of the pollution control hearings board, the forest practices appeals board, the shorelines hearings board, and the hydraulic appeals board shall be as provided by law.
    - (2) The chief executive officer of the environmental hearings office may appoint an administrative appeals judge who shall possess the powers and duties conferred by the administrative procedure act, chapter 34.05 RCW, in cases before the boards comprising the office. The administrative appeals judge shall have a demonstrated knowledge of environmental law, and shall be admitted to the practice of law in the state of Washington. Additional administrative appeals judges may also be appointed by the chief executive officer on the same terms. Administrative appeals judges shall not be subject to chapter 41.06 RCW.

- (3) The administrative appeals judges appointed under subsection 1 2 (2) of this section are subject to discipline and termination, for cause, by the chief executive officer. Upon written request by the 3 person so disciplined or terminated, the chief executive officer shall 4 5 state the reasons for such action in writing. The person affected has a right of review by the superior court of Thurston county on petition 6 7 for reinstatement or other remedy filed within thirty days of receipt 8 of such written reasons.
- 9 (4) The chief executive officer may appoint, discharge, and fix the 10 compensation of such administrative or clerical staff as may be 11 necessary.
- 12 (5) The chief executive officer may also contract for required 13 services.
- 14 **Sec. 18.** RCW 43.21B.110 and 2001 c 220 s 2 are each amended to read as follows:
- 16 (1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, and the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, or local health departments:
- 21 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 90.56.330.
- 24 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 25 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 26 90.14.130, 90.48.120, and 90.56.330.
- (c) Except as provided in RCW 90.03.210(2), the issuance, 27 modification, or termination of any permit, certificate, or license by 28 department or any air authority in the exercise of 29 30 jurisdiction, including the issuance or termination of a waste disposal 31 permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, 32 or a decision to approve or deny an application for a solid waste 33 permit exemption under RCW 70.95.300. 34
- 35 (d) Decisions of local health departments regarding the grant or 36 denial of solid waste permits pursuant to chapter 70.95 RCW.

1 (e) Decisions of local health departments regarding the issuance 2 and enforcement of permits to use or dispose of biosolids under RCW 3 70.95J.080.

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- (f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.
- (g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.
- (h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.
- 16 (2) The following hearings shall not be conducted by the hearings 17 board:
- 18 (a) Hearings required by law to be conducted by the shorelines 19 hearings board pursuant to chapter 90.58 RCW.
- 20 (b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.
- (c) Proceedings conducted by the department, or the department's designee, under RCW 90.03.160 through 90.03.210 or 90.44.220.
- 24 (d) Hearings conducted by the department to adopt, modify, or 25 repeal rules.
- (e) Appeals of decisions by the department as provided in chapter
  43.-- RCW (sections 1 through 14 of this act).
- 28 (3) Review of rules and regulations adopted by the hearings board 29 shall be subject to review in accordance with the provisions of the 30 Administrative Procedure Act, chapter 34.05 RCW.
- 31 **Sec. 19.** RCW 76.09.220 and 1999 sp.s. c 4 s 902 are each amended 32 to read as follows:
- 13 (1) The appeals board shall operate on either a part-time or a 34 full-time basis, as determined by the governor. If it is determined 35 that the appeals board shall operate on a full-time basis, each member 36 shall receive an annual salary to be determined by the governor. If it 37 is determined that the appeals board shall operate on a part-time

- basis, each member shall be compensated in accordance with RCW 43.03.250. The director of the environmental hearings office shall make the determination, required under RCW 43.03.250, as to what statutorily prescribed duties, in addition to attendance at a hearing or meeting of the board, shall merit compensation. This compensation shall not exceed ten thousand dollars in a fiscal year. shall receive reimbursement for travel expenses incurred in the discharge of his or her duties in accordance with the provisions of RCW 43.03.050 and 43.03.060.
  - (2) The appeals board shall as soon as practicable after the initial appointment of the members thereof, meet and elect from among its members a chair, and shall at least biennially thereafter meet and elect or reelect a chair.

- (3) The principal office of the appeals board shall be at the state capital, but it may sit or hold hearings at any other place in the state. A majority of the appeals board shall constitute a quorum for making orders or decisions, adopting rules necessary for the conduct of its powers and duties, or transacting other official business, and may act though one position on the board be vacant. One or more members may hold hearings and take testimony to be reported for action by the board when authorized by rule or order of the board. The appeals board shall perform all the powers and duties granted to it in this chapter or as otherwise provided by law.
- (4) The appeals board shall make findings of fact and prepare a written decision in each case decided by it, and such findings and decision shall be effective upon being signed by two or more members and upon being filed at the appeals board's principal office, and shall be open to public inspection at all reasonable times.
- (5) The appeals board shall either publish at its expense or make arrangements with a publishing firm for the publication of those of its findings and decisions which are of general public interest, in such form as to assure reasonable distribution thereof.
- (6) The appeals board shall maintain at its principal office a journal which shall contain all official actions of the appeals board, with the exception of findings and decisions, together with the vote of each member on such actions. The journal shall be available for public inspection at the principal office of the appeals board at all reasonable times.

(7) The forest practices appeals board shall have exclusive jurisdiction to hear appeals arising from an action or determination by the department, and the department of fish and wildlife, and the department of ecology with respect to management plans provided for under RCW 76.09.350.

- (8)(a) Any person aggrieved by the approval or disapproval of an application to conduct a forest practice or the approval or disapproval of any landscape plan or permit or watershed analysis may, except as otherwise provided in chapter 43.-- RCW (sections 1 through 14 of this act), seek review from the appeals board by filing a request for the same within thirty days of the approval or disapproval. Concurrently with the filing of any request for review with the board as provided in this section, the requestor shall file a copy of his or her request with the department and the attorney general. The attorney general may intervene to protect the public interest and ensure that the provisions of this chapter are complied with.
- 17 (b) The review proceedings authorized in (a) of this subsection are 18 subject to the provisions of chapter 34.05 RCW pertaining to procedures 19 in adjudicative proceedings.
- **Sec. 20.** RCW 77.55.170 and 2000 c 107 s 20 are each amended to 21 read as follows:
  - (1) There is hereby created within the environmental hearings office under RCW 43.21B.005 the hydraulic appeals board of the state of Washington.
  - (2) The hydraulic appeals board shall consist of three members: The director of the department of ecology or the director's designee, the director of the department of agriculture or the director's designee, and the director or the director's designee of the department whose action is appealed under subsection (6) of this section. A decision must be agreed to by at least two members of the board to be final.
  - (3) The board may adopt rules necessary for the conduct of its powers and duties or for transacting other official business.
- 34 (4) The board shall make findings of fact and prepare a written 35 decision in each case decided by it, and that finding and decision 36 shall be effective upon being signed by two or more board members and

upon being filed at the hydraulic appeals board's principal office, and shall be open to public inspection at all reasonable times.

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- (5) The board has exclusive jurisdiction to hear appeals arising from the approval, denial, conditioning, or modification of a hydraulic approval issued by the department: (a) Under the authority granted in RCW 77.55.110 for the diversion of water for agricultural irrigation or stock watering purposes or when associated with streambank stabilization to protect farm and agricultural land as defined in RCW 84.34.020; or (b) under the authority granted in RCW 77.55.230 for offsite mitigation proposals.
- (6)(a) Any person aggrieved by the approval, denial, conditioning, or modification of a hydraulic approval pursuant to RCW 77.55.110 may, except as otherwise provided in chapter 43.-- RCW (sections 1 through 14 of this act), seek review from the board by filing a request for the same within thirty days of notice of the approval, denial, conditioning, or modification of such approval.
- 17 (b) The review proceedings authorized in (a) of this subsection are 18 subject to the provisions of chapter 34.05 RCW pertaining to procedures 19 in adjudicative proceedings.
- **Sec. 21.** RCW 90.58.180 and 1997 c 199 s 1 are each amended to read 21 as follows:
  - (1) Any person aggrieved by the granting, denying, or rescinding of a permit on shorelines of the state pursuant to RCW 90.58.140 may, except as otherwise provided in chapter 43.-- RCW (sections 1 through 14 of this act), seek review from the shorelines hearings board by filing a petition for review within twenty-one days of the date of filing as defined in RCW 90.58.140(6).

Within seven days of the filing of any petition for review with the board as provided in this section pertaining to a final decision of a local government, the petitioner shall serve copies of the petition on the department, the office of the attorney general, and the local government. The department and the attorney general may intervene to protect the public interest and insure that the provisions of this chapter are complied with at any time within fifteen days from the date of the receipt by the department or the attorney general of a copy of the petition for review filed pursuant to this section. The shorelines

hearings board shall schedule review proceedings on the petition for review without regard as to whether the period for the department or the attorney general to intervene has or has not expired.

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- (2) The department or the attorney general may obtain review of any final decision granting a permit, or granting or denying an application for a permit issued by a local government by filing a written petition with the shorelines hearings board and the appropriate local government within twenty-one days from the date the final decision was filed as provided in RCW 90.58.140(6).
- (3) The review proceedings authorized in subsections (1) and (2) of this section are subject to the provisions of chapter 34.05 RCW pertaining to procedures in adjudicative proceedings. Judicial review of such proceedings of the shorelines hearings board is governed by chapter 34.05 RCW. The board shall issue its decision on the appeal authorized under subsections (1) and (2) of this section within one hundred eighty days after the date the petition is filed with the board or a petition to intervene is filed by the department or the attorney general, whichever is later. The time period may be extended by the board for a period of thirty days upon a showing of good cause or may be waived by the parties.
- (4) Any person may appeal any rules, regulations, or guidelines adopted or approved by the department within thirty days of the date of the adoption or approval. The board shall make a final decision within sixty days following the hearing held thereon.
- (5) The board shall find the rule, regulation, or guideline to be valid and enter a final decision to that effect unless it determines that the rule, regulation, or guideline:
  - (a) Is clearly erroneous in light of the policy of this chapter; or
- (b) Constitutes an implementation of this chapter in violation of constitutional or statutory provisions; or
  - (c) Is arbitrary and capricious; or
- (d) Was developed without fully considering and evaluating all material submitted to the department during public review and comment; or
  - (e) Was not adopted in accordance with required procedures.
- 36 (6) If the board makes a determination under subsection (5)(a) 37 through (e) of this section, it shall enter a final decision declaring 38 the rule, regulation, or guideline invalid, remanding the rule,

- regulation, or guideline to the department with a statement of the reasons in support of the determination, and directing the department to adopt, after a thorough consultation with the affected local government and any other interested party, a new rule, regulation, or guideline consistent with the board's decision.
- (7) A decision of the board on the validity of a rule, regulation, or guideline shall be subject to review in superior court, if authorized pursuant to chapter 34.05 RCW. A petition for review of the decision of the shorelines hearings board on a rule, regulation, or guideline shall be filed within thirty days after the date of final decision by the shorelines hearings board.
- 12 <u>NEW SECTION.</u> **Sec. 22.** Sections 1 through 14 of this act 13 constitute a new chapter in Title 43 RCW.
- NEW SECTION. Sec. 23. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

## <u>SSB 5776</u> - S AMD **205**By Senators Doumit, Mulliken, Kline

## ADOPTED 03/18/2003

On page 1, line 2 of the title, after "projects;" strike the remainder of the title and insert "amending RCW 34.05.518, 36.70C.030, 43.21B.005, 43.21B.110, 76.09.220, 77.55.170, and 90.58.180; adding a new chapter to Title 43 RCW; and declaring an emergency."

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